

DETROIT/WAYNE COUNTY PORT AUTHORITY  
MICHIGAN'S INTERMODAL GATEWAY

Comments Submitted by  
**The Detroit/Wayne County Port Authority**  
To the United States Army Corps of Engineers at the  
Regional Listening Session  
Chicago, Illinois  
August 2, 2000

Since 1959, the Saint Lawrence Seaway has been a vital link between the global marketplace and our nation's heartland in the Midwest. The 2,000-mile long seaway system is responsible for annual commerce exceeding 200 million net tons. Responsible for carrying this cargo are 75 U.S. lakercs, 90 Canadian lakercs, nearly 1,000 saltwater vessels, and about 50,000 barges connected to the rivers that feed this system. Fanning outward from this major international artery are 40 provincial and interstate highways, nearly 30 rail lines which in turn link 15 major ports and 50 regional ports with consumers, products and industries all over North America. By creating such a vast and diverse intermodal transportation network, we have increased efficiency and production of manufactured goods and developed opportunities for employment, construction and growth. However, such growth on the user end, requires investment and growth of the network itself. This makes issues concerning upgrade and maintenance on the Saint Lawrence Seaway system of vital importance if we are going to ensure the viability and strength the Midwest provides our nation.

The main products moving through the Saint Lawrence Seaway system are iron ore for the steel industry, coal for power generation and steel production, limestone for the steel industries, lumber for construction, grain for overseas markets, general cargo such as iron ore and steel products for heavy machinery and cement, salt and other aggregates for agriculture and industry. These products are used every day to power our homes and businesses, pave our highways, stamp parts for our automobiles and build our neighborhoods.

Our Great Lakes/Saint Lawrence Seaway System is home to one-quarter of North America's population including almost one-half of the United States population and Canada. Further, almost one-half of the Fortune 500 Industrial Companies are headquartered here. More than 45,000 U.S. jobs and \$2 billion in personal income are directly generated by industry on the Great Lakes system.

It has been estimated that for every one metric ton of steel imported, \$250 in economic impact is created for the community in the form of personal income, taxes and related business revenue. That is due to the increased knowledge and efficiency we have developed to handle and care for steel products crossing our docks. At the Port of Detroit, we handle over one million tons of imported high-grade steel annually to fuel the auto industry in our State. Steel coils that cross our docks are handled with extreme care, sequenced, bar coded, fabricated and stamped into the parts you see on cars and trucks today. In 1999, the Port of Detroit estimated economic impact of imported steel on the

community was approximately \$250 million. Additionally, Michigan handled 80 percent of all Great Lakes limestone and gypsum shipments, 80 percent of cement shipments, 25 percent of all iron ore shipments, and 30 percent of coal shipments. These products accounted for over 20 million tons of ship transported commerce through the Port of Detroit. The opportunities and economic development generated from the Saint Lawrence Seaway is often shadowed by other factors, but make no mistake about it, without the seaway as our region's backbone, the economic climate would never have reached the levels we currently embrace.

Further, the environmental efficiency of shipping on the Great Lakes rather than by rail or truck can not be matched. A 1993 study of eleven trade routes on the Great Lakes shows that by utilizing ships, we save 14 million gallons of fuel and reduce emissions by more than 4,300 tons. The study went on to report that a vessel-to-rail shift for the eleven cargo flows would statistically result in thirty-six more rail crossing accidents, fourteen more derailments and one train collision. The commodities that trucks might carry statistically would produce 141 more truck/car accidents on the roads and highways, one quarter of which would have the potential for fatalities or serious injuries. It is a fact that a single 1,000-foot ship carries the equivalent of six 100-car trains. Efficiency like this requires attention, consistent study and federal involvement and appropriation. Without such attention, we will be cheating ourselves of one of our richest and most ecologically sensitive resources.

In order to be able to brag about such an efficient and economic powerhouse like the Saint Lawrence Seaway system, we need to maintain and address the infrastructure issues of this transportation network. Despite the substantiating environmental and economic factors, most of the seaway infrastructure dates back to design principles of the 1950's and 1960's. Harbors, locks and channels were designed with ships from this era in mind. What was a unique and incredibly modern transportation system then, has turned into an aged and outdated system that doesn't cater to a developing and mobile fleet of ships. Thus, the 1,000-foot freighter mentioned earlier, doesn't necessarily fit into channels and harbors of many regional ports, reducing the efficiency of the Great Lakes/Saint Lawrence system.

Although the width of channels and locks presents problems of its own, the primary limiting dimension in the system is the depth of water in a channel or lock. Industry has proven in times of higher water levels (above low water datum) that they can effectively use their vessels at deeper drafts and that shippers benefit from these larger loads. However, more recently, in lower level times, shippers are forced to load their vessels much lighter, erasing economies of scale and safety concerns where shallows spots emerge in and along the Great Lakes. Maintaining adequate channel and harbor drafts become more crucial when you consider for every one-inch of reduction in depth, a 1,000 freighter forfeits approximately 270 tons of cargo. This loss of cargo must be made up with more trips, which creates greater fuel consumption and increased cost incurred by both the shipper and customer which becomes inefficient for everyone.

Page 3

Comments Submitted

Detroit/Wayne County Port Authority

Sediment build-up can be directly attributed to reduced water levels in many areas on the Great Lakes system. A study of the Cuyahoga River in Cleveland found that 54 percent of sediment build-up was from upstream erosion. More money and study should be directed toward shoreline protection to prevent unnecessary sediment build-up like this from occurring.

What needs to be noted is that the shipping industry we are all trying to serve and provide appropriate infrastructure for is a "mobile" industry, literally. They aren't required to operate on the Great Lakes/St. Lawrence Seaway system. If it becomes cheaper and more efficient to carry cargo and serve the deep East coast ports, then they will do this. If it becomes easier to navigate and serve ports that can feed the Midwestern ports by rail, they will do this as well. Therefore, in order to maintain this high level of service, and this ecologically friendly method of transporting important and vital cargoes in and around the Great Lakes/Saint Lawrence Seaway system, we need to address the infrastructure and navigational issues that are important to important users like shipping industry.

Over 30 million people rely on the Great Lakes/St. Lawrence Seaway system in one way or another, whether recreationally or commercially. The vital importance of this system should directly correlate with the amount of federal involvement and funding set aside to ensure its viability and strength as we enter this new century. Channel and harbor deepening projects and lock dimension improvements top the list of priorities for commercial shipping interests. The time is now for all stakeholders dependent on this vital transportation system to plan ahead for much needed improvements, or we will be faced with monumental infrastructure problems down the road that cannot meet tomorrow's challenges.

**John Jamian**

Executive Director,

Detroit/Wayne County Port Authority and

Chairman,

American Great Lakes Ports

**John K. Kerr**

Economic Development Manager,

Detroit/Wayne County Port Authority